

DHFL

Changing Rules Changing Lives

Investor Presentation

TURNING DREAMS INTO REALITY

I want
every Indian
to own a home
of his own

Late Shri Rajesh Kumar
Wadhawan,
Founder Chairman
(1949-2000)



Our vision is to transform the lives of Indian households by enabling access to home ownership.

DHFL
Changing Rules Changing Lives

Table of Contents

- Section 1: DHFL Overview
- Section 2: Key Investment Considerations
- Section 3: Strategy
- Appendix
  - Implications of the Union Budget of India
  - Financial overview
  - Key Regulations
  - Other Entities

Section 1

DHFL Overview

DHFL – one of the leading housing finance companies in India

Business overview

- Founded in 1984, DHFL was one of the first few entrants in the housing finance space in India's private sector
  - Focused on low and medium income group in India
- Also has a presence in education loans segment (Avanse Financial Services Limited, an associate company) and joint ventures with Prudential Financial offering life insurance products (DHFL Pramerica Life Insurance Company Ltd.) and mutual fund products (DHFL Pramerica Asset Managers Pvt. Ltd.)
- Strong marketing and distribution network, with a presence across 358 locations throughout India as at December 31, 2015
  - Distribution network focused on Tier II and Tier III cities and towns

Key highlights (As of and for 9 months ended 31 December 2015)[1]

AUM ~$9.9bn	**Gross NPA** 1.02%	**Net NPA** 0.65%
Avg ticket size ~$18k	**CAR (Approx.)** 16.39%	**NIM** 2.88%
PAT ~$80mm	**Loan sanctions** ~$3.7bn	**LTV** 49.1%
Cost to Income 26.30%	**ROA[3]** 1.45%	**ROE[4]** 18.52%

Products overview

81%[2] | 19%[2]

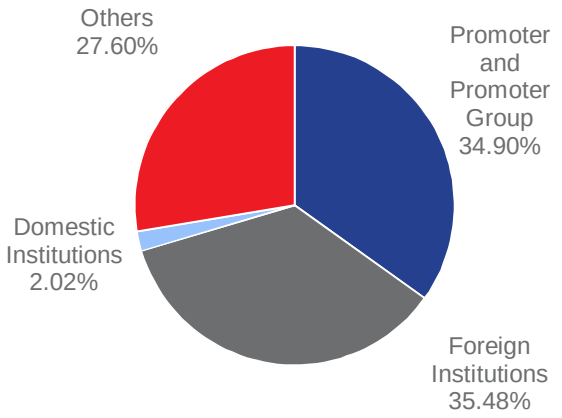
Housing loans

- Purchase of New House Property
- Purchase of Resale House Property
- Self Construction
- Extension & Improvement

Non-housing loans

- Loan Against Property
- Lease Rental Financing
- Purchase of Commercial Premises
- SME Loans

Shareholding overview (As of 31 December 2015)



Note: (1) Assumes a USD / INR exchange rate of 67.
(2) Housing loans and Non-housing loans as % of total loan book as at 31 December 2015.
(3) Return on average assets is calculated as Net profit before provisions / average total assets
(4) Return on average equity is calculated as Net profit before provisions / average shareholder's equity

DHFL Changing Rules Changing Lives

Who We Are …

Vision

- To transform the lives of Indian households by enabling access to home ownership

Mission

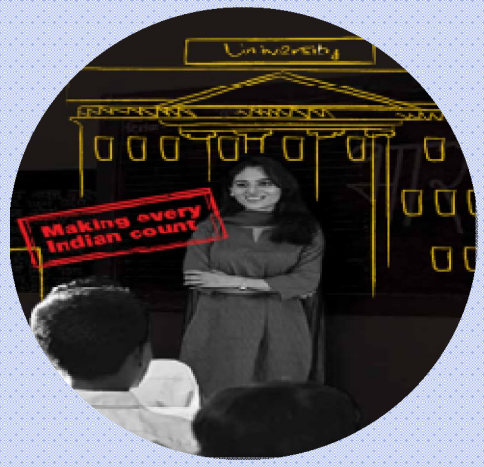
- Be easily accessible to every Indian who desires to own a home
- Understand our customers' inner needs and speak their language
- Go to any length to make sure our customers don't feel intimidated
- Continuously configure our credit policy to make sure the maximum number of people can be eligible for loans
- Find ways to help our customers tide over difficult times
- Spread our network to every corner of India
- Respond promptly and courteously to all enquiries

Values

- Treat all customers with dignity and respect
- Be totally transparent in all dealings
- Strive to be a learning organization
- Commitment to team excellence and employee happiness
- Be single mindedly committed to the betterment of society

DHFL Changing Rules Changing Lives

Our customers



- Profession: Teacher
- Monthly HH income:~ $375
- Family size: ~5 (parents and 2 siblings)
- Stayed in a 1 room-kitchen



- Profession: Farming and other allied
- Monthly HH income:~ $225
- Family size: ~4 (Husband and 2 children)
- Stayed in a rented 1 room-kitchen



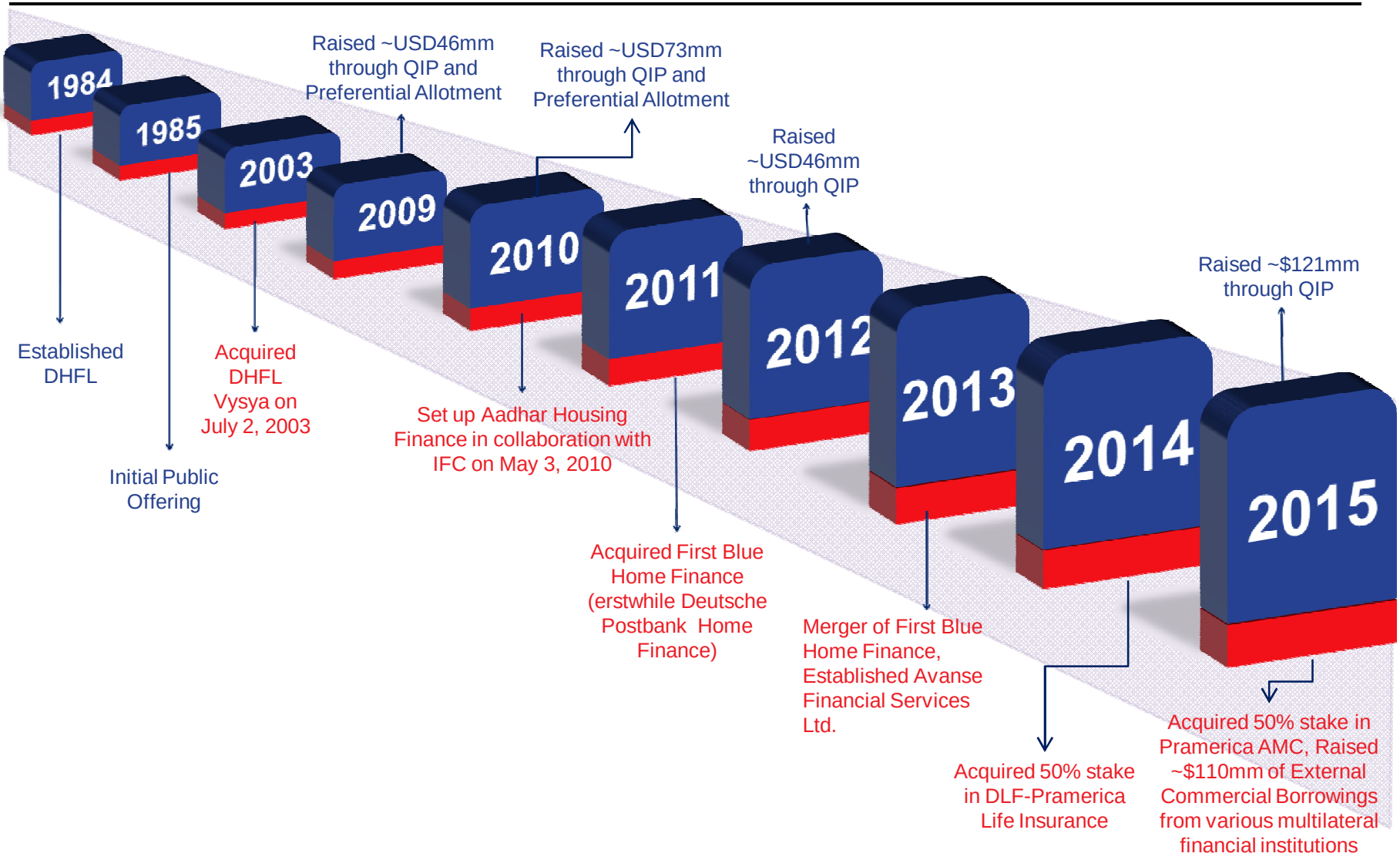
- Profession: Owner, super market
- Monthly HH income:~ $450
- Family size: ~5 (wife and 3 children)
- Stayed in a rented 1 BHK

Every Indian should have a home of his own

Note: Assumes a USD / INR exchange rate of 67.

DHFL Changing Rules Changing Lives

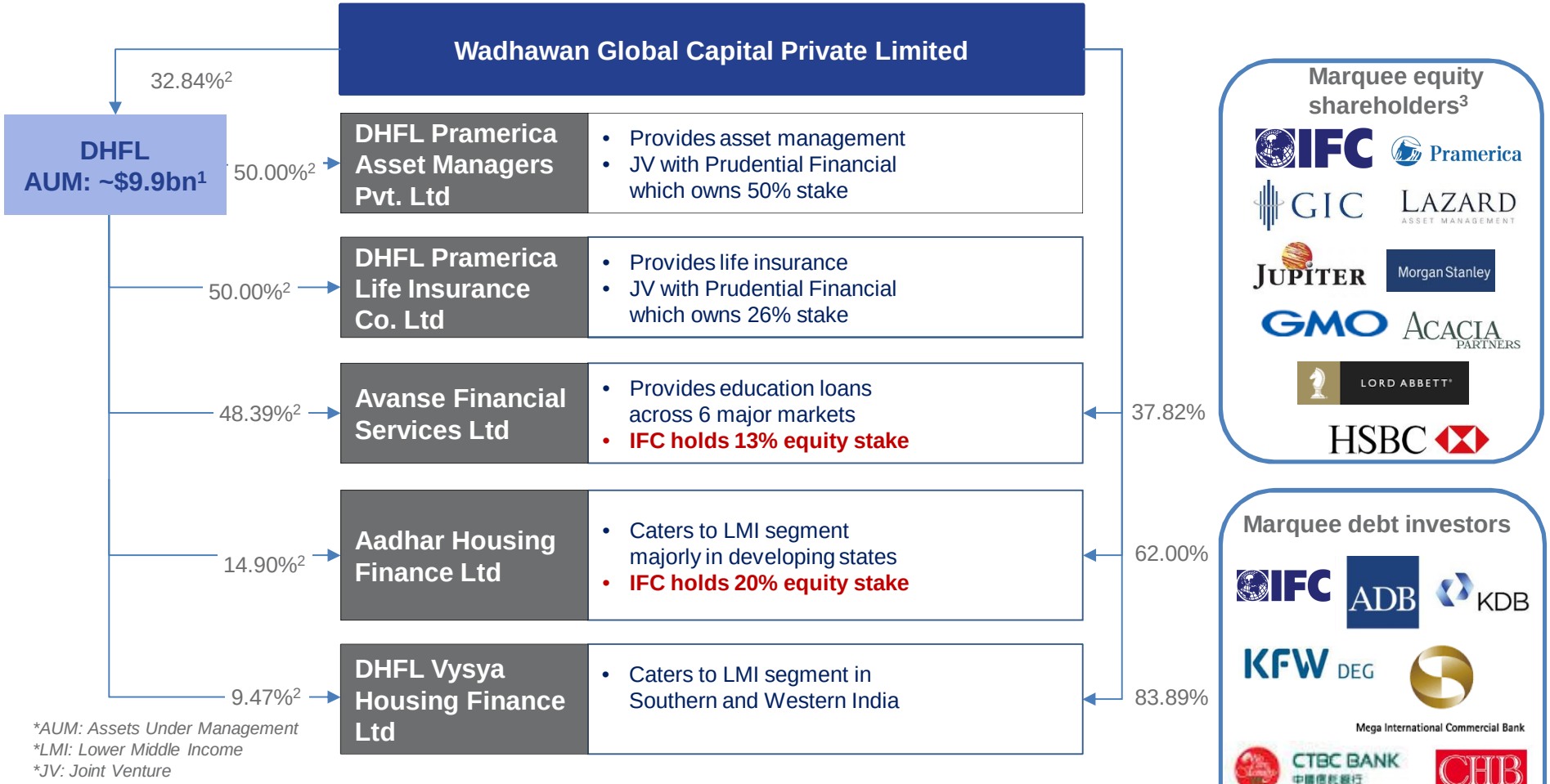
Key milestones



Note: Assumes a USD / INR exchange rate of 67.

DHFL Changing Rules Changing Lives

DHFL financial services group



*AUM: Assets Under Management
*LMI: Lower Middle Income
*JV: Joint Venture

- LMI Focused Housing Finance Group
- Group companies with significant value to be unlocked
- Partners with international groups like IFC, Prudential Financial Inc. (Pramerica), etc.

1 As of 31 December 2015.
2 Group share holding as of 31 December 2015.
3. Includes shareholders in associate companies.
Note: Assumes a USD / INR exchange rate of 67.

DHFL Changing Rules Changing Lives

Supported by R. W. Group Management Center (RWGMC)

Kapil Wadhawan (Chairman & Managing Director)

Rajesh Wadhawan Group Management Center

- **Provides strategic direction and enhancement of synergetic value across groups**
- **The Rajesh Wadhawan Group Management Center ("RWGMC") comprises of the following members:**



Srinath Sridharan
- Convener of GMC

G Ravishankar
- Member – Finance





K Srinivas
- Member – People and Leadership

M Suresh
- Member – Brand and Customer Advocacy

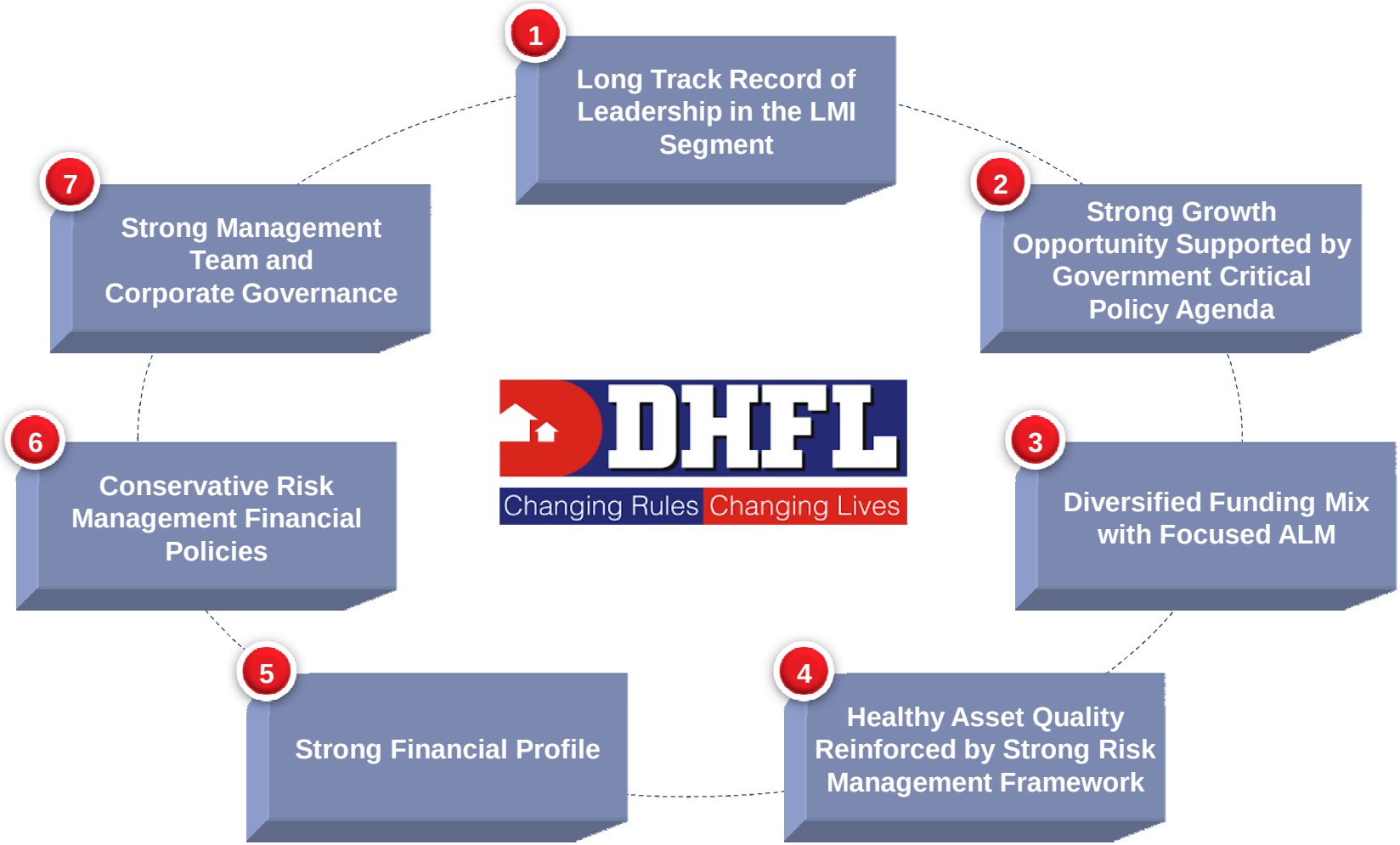


DHFL Changing Rules Changing Lives

Section 2

Key Investment Considerations

Key Investment Considerations

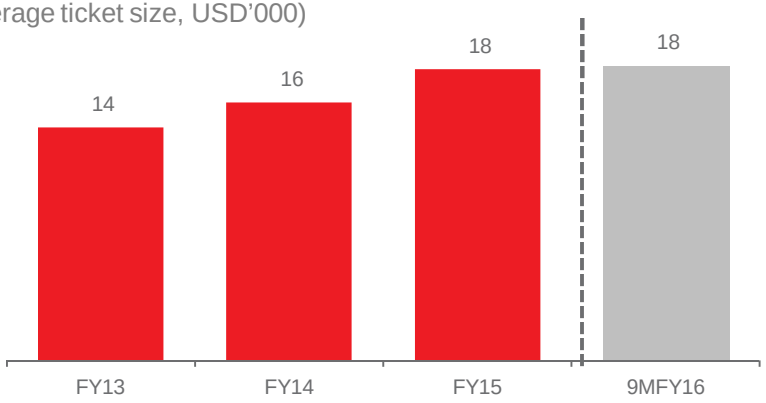


1 Long Track Record of Leadership in the LMI Segment…

Over 30 years of expertise in the LMI segment

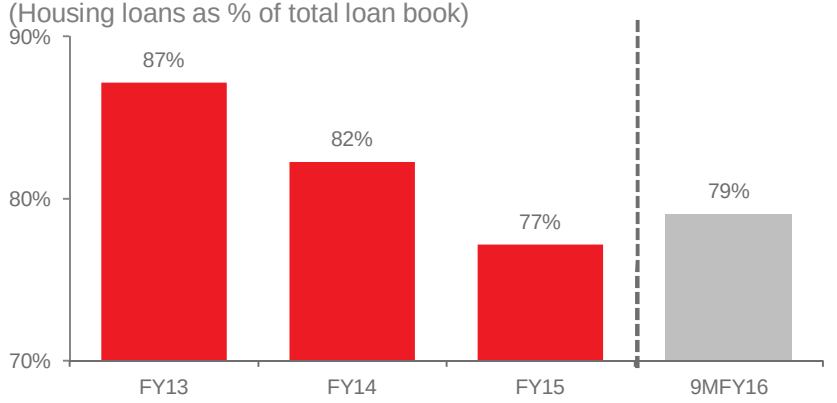
DHFL is focused on the LMI segment …

(Average ticket size, USD'000)



Focused on housing loans …

(Housing loans as % of total loan book)



- ~79% of loan portfolio comprises housing loans given for purchase of homes, extension & improvements and self construction

- DHFL is one of the leading players in niche markets in India (Tier II & III cities) with strong foothold in the low and middle income (LMI) segment
  - DHFL has carved a niche in terms of presence across customer segments—bottom end and middle segment
  - The company has gained expertise in the LMI and self employed class. After three decades it remains the financial institution with the systems, processes and dedication to serve this socio-economic group
- Has been able to maintain a healthy portfolio with low delinquency rates by virtue of following stringent in-house appraisal systems

9MFY16 AUM of ~$9.9bn

Note: Assumes a USD / INR exchange rate of 67.
1. FY13, FY14, FY15 and 9MFY16 figures are post merger of First Blue Home Finance.

DHFL Changing Rules Changing Lives

1 …with a PAN India distribution reach to cater to the target market segment

Distribution footprint is primarily spread over Tier II, Tier III cities and outside the municipal limits of the Metros

- Spread across 358 Company operated locations in India[1]
- Focus on increasing pan India presence and setting up branches in the untapped LMI markets

Alliance partner

DhanlaxmiBank established 1927

- **Access to banks' infrastructure**
  - Branch Network: Leverage as additional points of sales
  - Customers: To explore incremental business
  - Brand: Co-branding products and operating from a bank's premises for marketing and back end processing
- **These banks are the strong players in their respective geographies, with deep ties to local communities**
- **Alliances provide the benefit of lowering exposure risk and unlock capital for business expansion**



Note: Map not as per scale. The branch locations shown are for representative purposes only and doesn't reflect all branches of the company

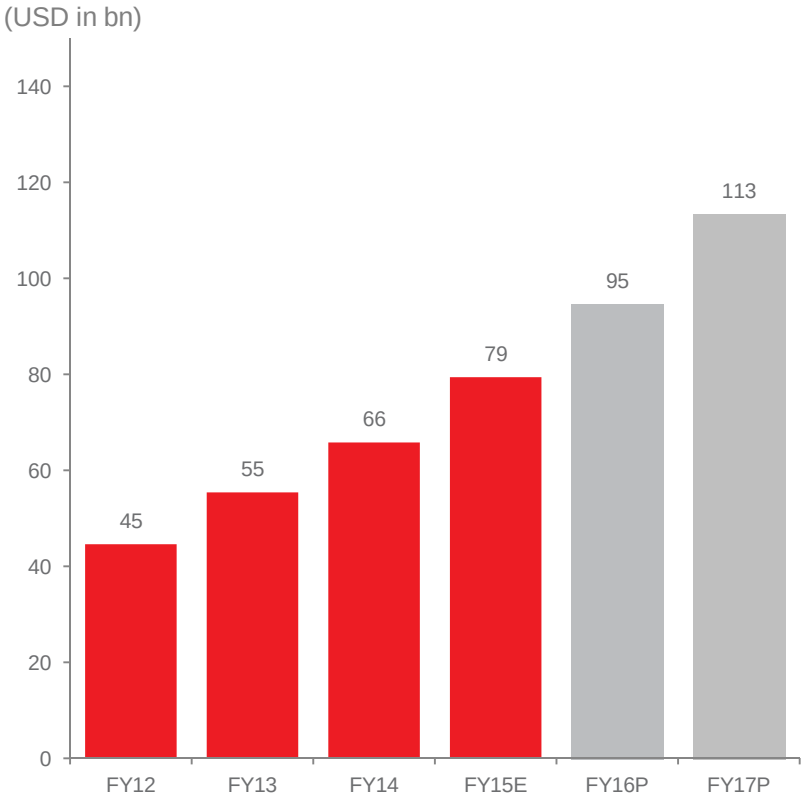
Source: Company filings

1 As on 31st December 2015, Company operated locations include 2 Representative Offices at London and Dubai.

DHFL Changing Rules Changing Lives

2 Strong Growth Opportunity for HFCs particularly in Tier II and Tier III cities

Housing finance outlook for HFCs



Note: Data for 2015-16 and 2016-17 is projected.
(Source: CRISIL NBFC Report, August 2015)

Tier II and Tier III cities have emerged as new avenues for growth

- Increasing number of people migrating from smaller towns and rural areas to tier-II and tier-III cities
  - Driven by employment opportunities, affordable property prices and availability of finance
- HFCs have established strong presence in tier-II and tier-III cities
  - Superior client servicing resulting in quicker turnaround time
  - Adequate appraisal systems and effective recovery mechanisms
- HFCs expected to continue to witness faster growth than banks
  - Demand for underlying assets, stable operating environment, increased financial penetration and steady property prices

(Source: CRISIL NBFC Report, August 2015)

DHFL Changing Rules Changing Lives

2 Strong Growth Opportunity Supported by Government Critical Policy Agenda

DHFL Social Economic Role benefits from Key Government Initiatives and Regulatory Incentives

- Government support: Housing for all by 2022, 100 smart cities.

Key Government Initiatives	
Affordable Housing for All	• On June 17,2015, the Cabinet Committee on Economic Affairs (CCEA) raised the interest subsidy for affordable housing in urban areas to 6.5% for EWS including slum dwellers and LMI groups. According to the ministry of Urban Development, the policy impact of this change will positively benefit urban poor to the tune of INR 200 – 300k each • This move, along with other schemes such as Pradhan Mantri Jan-Dhan Yojna, will help overcome the challenge of limited access to credit by EWS/LIG and consequently, will help spur demand for affordable housing
100 Smart Cities	• The '100 Smart Cities' government initiative is aimed at reshaping the urban landscape by making cities more affordable and liveable • Each city selected under the scheme would be granted 1bn / year for five years, which presents a huge opportunity for the housing segment

DHFL Changing Rules Changing Lives

2 Strong Growth Opportunity Supported by Government Critical Policy Agenda (continued)

DHFL Social Economic Role benefits from Key Government Initiatives and Regulatory Incentives

- Regulatory incentives: Viability gap funding, limit raised for PSL credit/affordable housing, NHB refinancing

Key Regulatory Incentives	
Regular Refinance Scheme	• Refinance assistance for housing loans up to INR 1mm • End customers: Women, disabled persons, and Scheduled Casts / Scheduled Tribes in Rural areas • Purpose: Construction, purchase, repair, renovation, up gradation of dwelling units at concessional rate
Rural Housing Fund	• Refinance assistance for housing loans up to INR 1.5mm • End customers: Weaker sections of the society, in rural areas • Purpose: Construction, purchase, repair, renovation, up gradation of dwelling units at concessional rate with on-lending capping of 2%
Urban Housing Fund	• Refinance assistance for housing loans up to INR 1mm • End customers: Borrowers in urban areas with dwelling size up to 60 sq.mt. or cost less than INR 1.6mm and house hold income of less than INR 400k annually • Purpose: Construction, purchase, repair, renovation, up gradation of dwelling units at concessional rate with on-lending capping of 2%
Special Urban Housing Refinance Scheme	• Refinance assistance for housing loans up to INR 500k • End customers: Borrowers in urban areas with house hold income of up to INR 400k annually • Purpose: Construction, purchase, repair, renovation, up gradation of dwelling units at concessional rate with maximum LTV cap of 80%
Construction Finance for Affordable Housing	• Refinance assistance for affordable housing loans • End customers: Public agencies, private agencies, developers or builders having projects with at least 60% of permissible FSI for constructing dwelling units with carpet area of up to 60 sq. mt. and cost up to INR 3mm per unit
Credit Linked Subsidy Scheme (CLSS)	• Available for loans of up to INR 600k • End customers: Qualifying borrowers in EWS and LIG scheme under PMAY

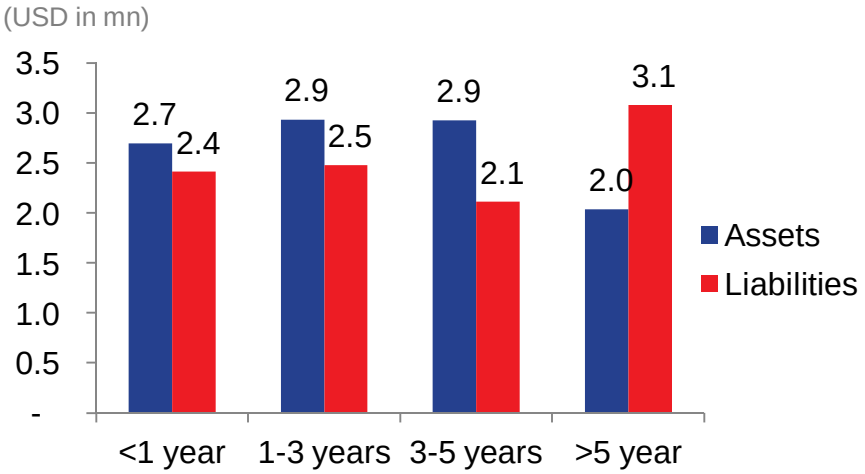
DHFL Changing Rules Changing Lives

3 Diversified Funding Mix with Focused ALM

Improving Cost of Funding

	FY13	FY14	FY15	9MFY16
Banks and FI's	11.02%	11.00%	10.81%	10.16%
NHB	7.99%	8.04%	7.93%	7.59%
Capital Markets	10.06%	9.84%	9.54%	9.00%
Multilateral Agencies	10.03%	10.73%	8.56%	8.21%
Fixed Deposit	10.59%	10.56%	10.34%	9.65%
WACB (Day End)	**10.63%**	**10.59%**	**10.28%**	**9.60%**

Assets and Liabilities Profile (as at December 31, 2015)



Equity Capital Market Access

- DHFL has been successfully raising equity capital from international institutional investors since 2009
- As recently as Feb 2015, the Company raised ~USD 120mm via a Qualified Institutional Placement

Improving Credit Profile



DHFL has long term domestic credit rating of 'CARE AAA (Triple A)' by CARE and 'BWR AAA (Triple A)' by Brickwork Ratings for long term secured facilities

Note: Assumes a USD / INR exchange rate of 67.

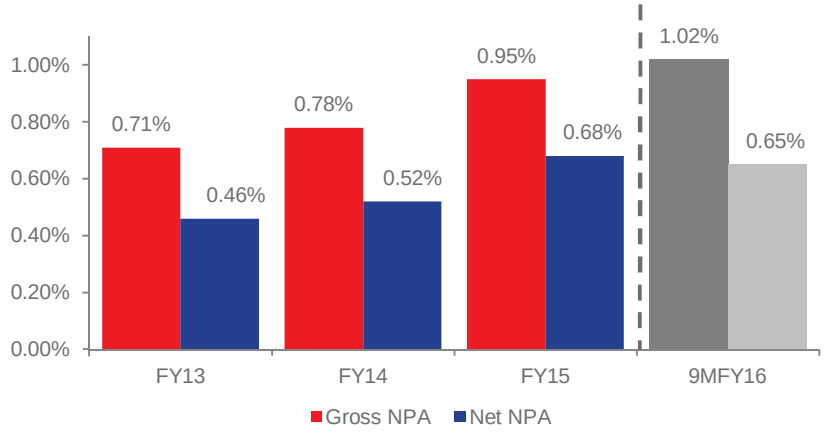
1. CARE: Credit Analysis & Research Ltd.
2. FY13, FY14, FY15 and 9MFY16 figures are post merger of First Blue Home Finance, while FY12 figures are DHFL's Standalone figures.

DHFL Changing Rules Changing Lives

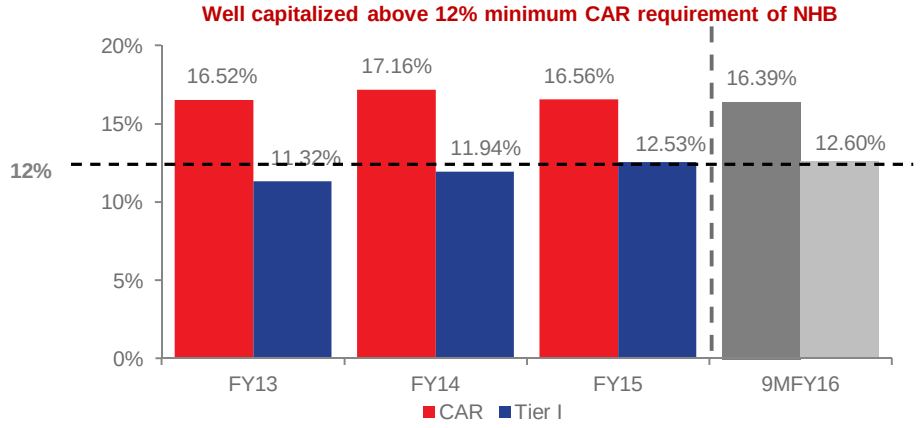
4 Healthy Asset Quality …

Best-in-industry asset quality underpin benign credit costs

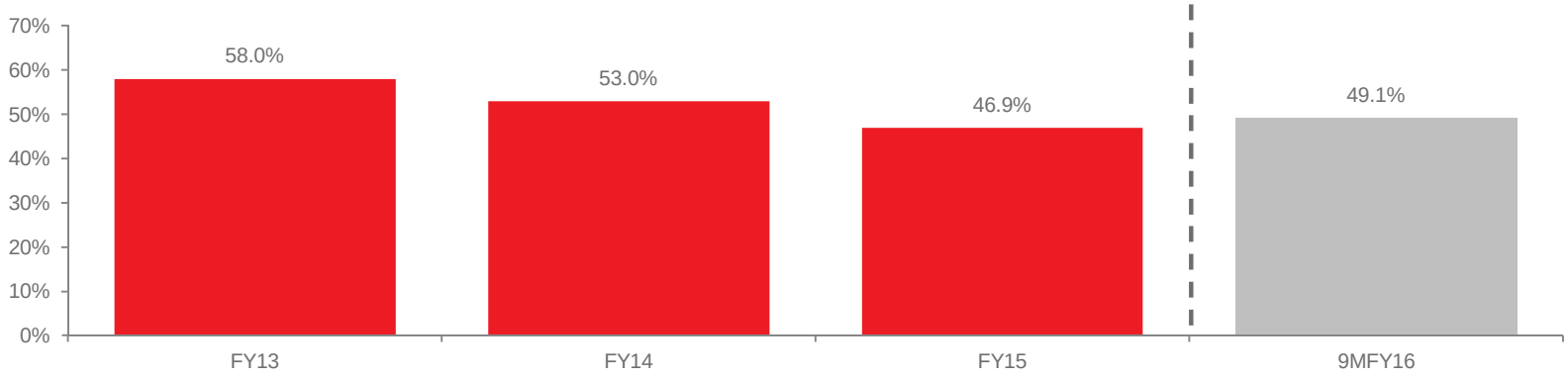
Gross/Net NPA



CAR (%) and Tier I (%)



Loan to Value Ratio



1. FY13, FY14, FY15 and 9MFY16 figures are post merger of First Blue Home Finance,

DHFL Changing Rules Changing Lives

4 … Reinforced by Strong Risk Management Framework

Leads Generated from

- Own Branches
- Developers
- Brokers
- Banks
- Call centers

Key Documents

- Income Tax Return
- Salary Slip
- Form 16
- Bank Statement

Sales Team → **Credit Team**

KYC

- Physical and online check-up

Initial Interview

- Document Collection

Credit Team → **Operations**

Operations → **Legal**

- Loan Documentation
- Builder Due Diligence

Operations → **Technical**

- Site Visits
- Structure of property
- Builder Business plan
- Valuation

Operations → ***Pre-defined Criteria Met?***

Pre-defined Criteria Met? → **Yes** → **Loan Approved**

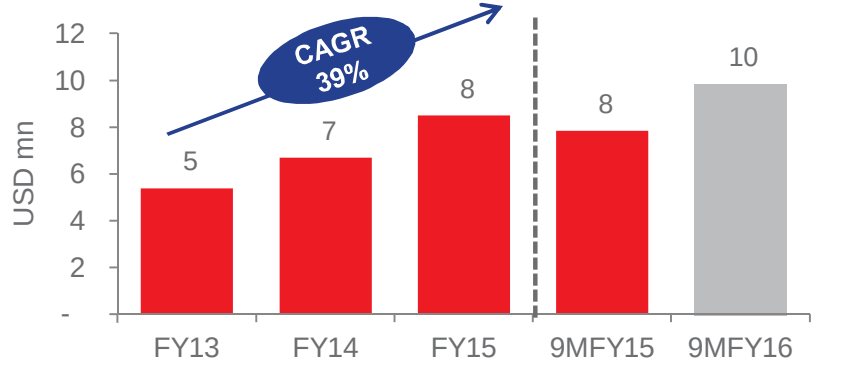
Pre-defined Criteria Met? → **No** → **Proposal Sent to Head Office**

- Centralised processing centers for greater efficiency and risk management – 20 circles / clusters catering to more than 80% of the branches in terms of number of loan accounts
- In-house credit and legal team, appraising each application
- In-house team of civil engineers for technical evaluation
- Significant majority of collections through ECS/PDC's

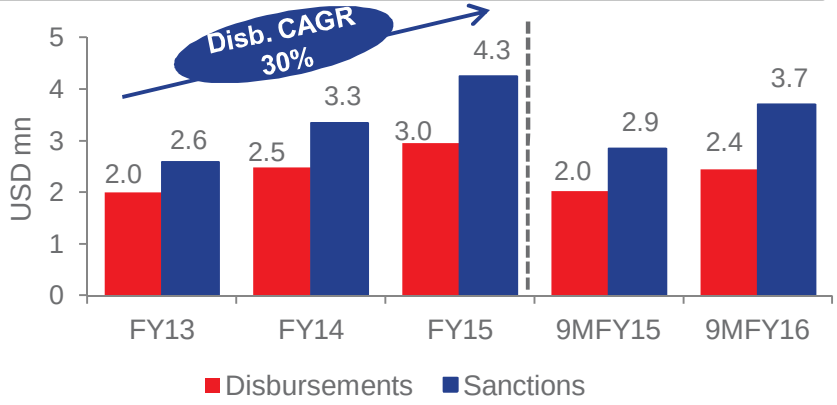
DHFL Changing Rules Changing Lives

4 … and Strong Asset Growth with Portfolio Mix

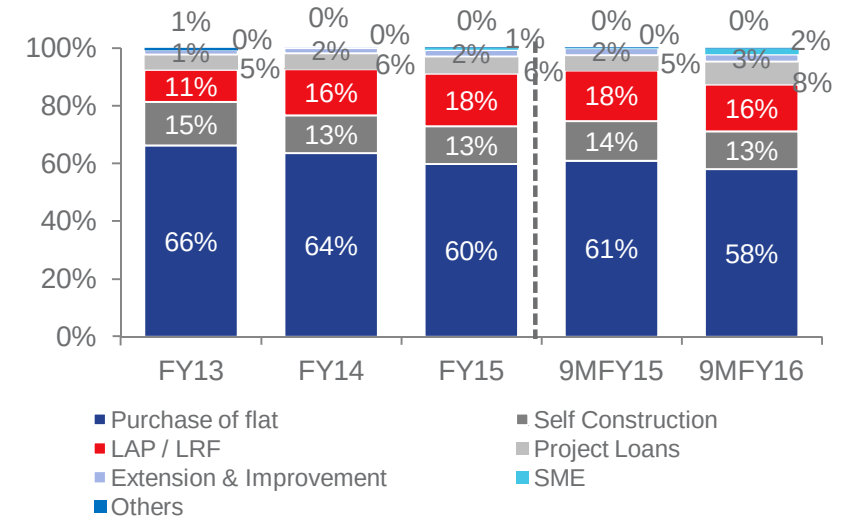
Strong AUM growth…



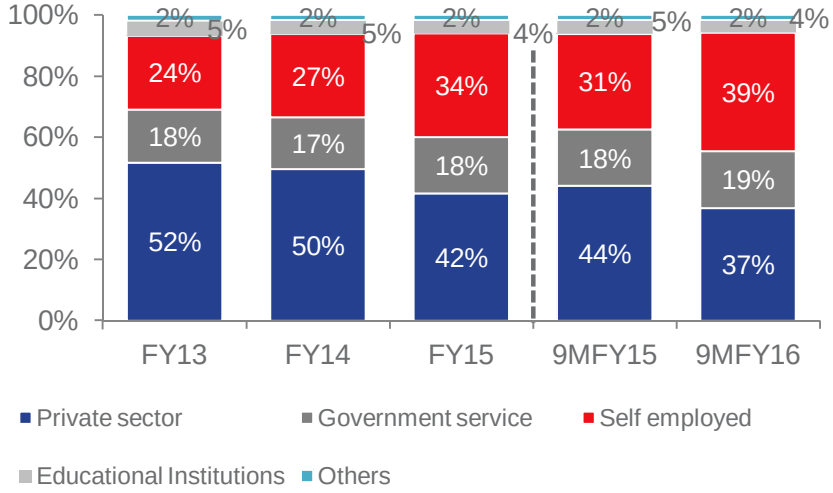
...driven by strong growth in disbursements



Portfolio Composition



Customer Composition



Notes: Assumes a USD / INR exchange rate of 67.

1 For the nine month period ended 31st December 2015, securitised portfolio: USD 391 million

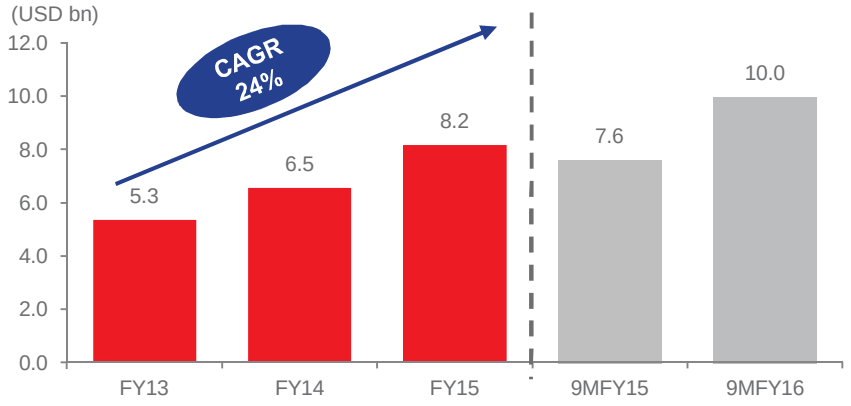
2 FY13, FY14, FY15 and 9MFY16 figures are post merger of First Blue Home Finance.

DHFL Changing Rules Changing Lives

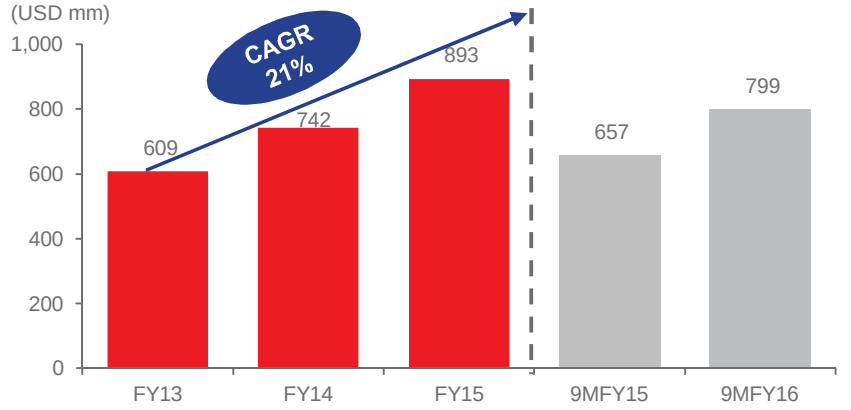
5 Strong Financial Profile

DHFL has shown a consistent stable growth in financial matrices

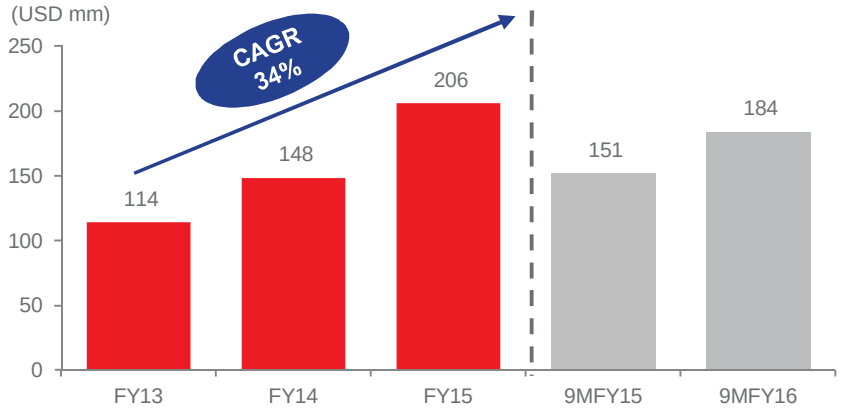
Total Assets



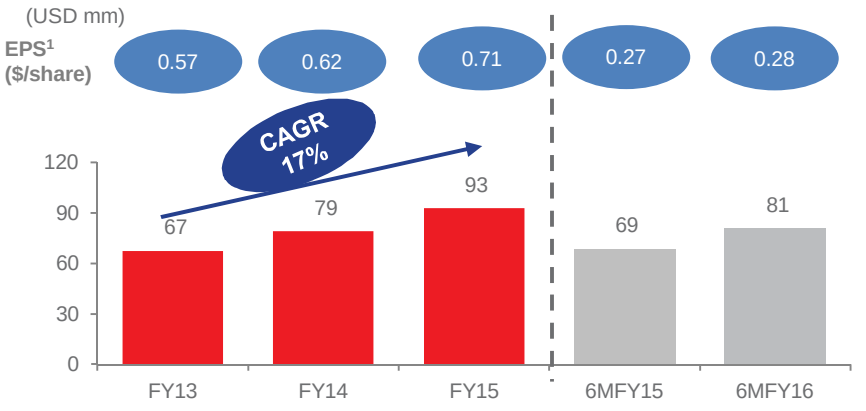
Total Income



Net Interest Income



Net Profit



Note: Assumes a USD / INR exchange rate of 67.

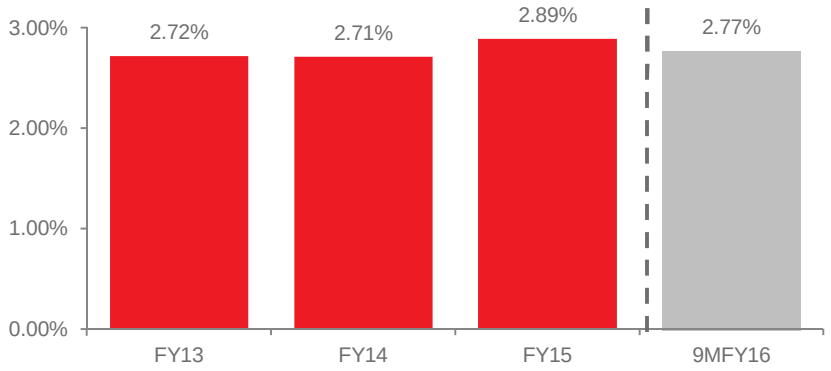
1. FY15, 9MFY15 and 9MFY16 EPS are not comparable with previous periods (FY13, FY14) as the same are calculated with increased Capital due to Bonus issue of 1:1 during the current quarter.
2. FY13, FY14, FY15 and 9MFY16 figures are post merger of First Blue Home Finance.

DHFL Changing Rules Changing Lives

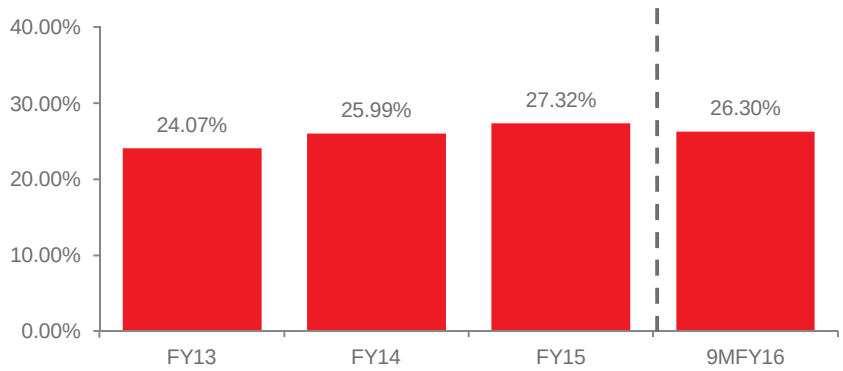
5 Strong Financial Profile (continued)

The focus of the management has been to maintain: NIM at 2.75-3.00%, Cost to Income Ratio at 20-25%, RoAE between 17-20%, RoAA at 1.6-1.7%

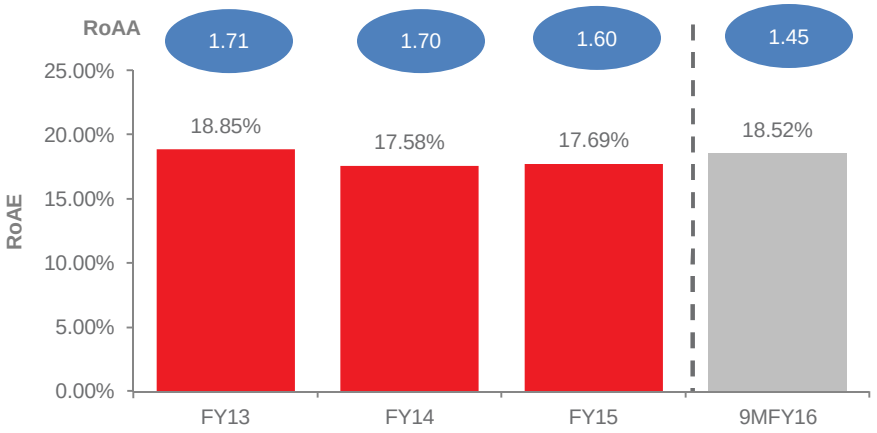
NIM



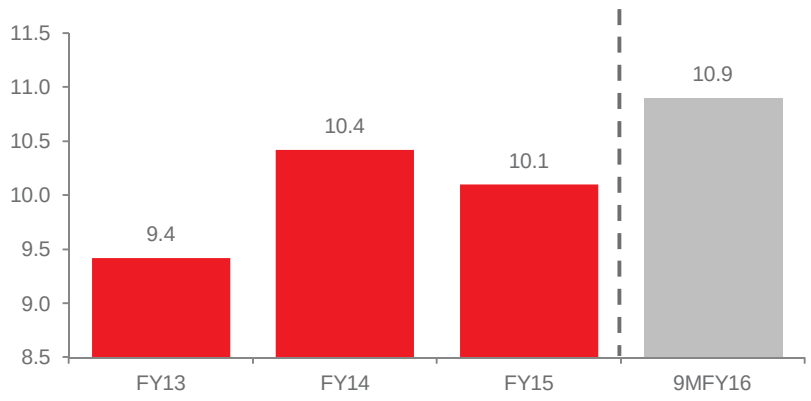
Cost to Income Ratio



RoAE / RoAA



Debt to Equity



Note: FY13, FY14, FY15 and 9MFY16 figures are post merger of First Blue Home Finance.

DHFL Changing Rules Changing Lives

6 Conservative Financial Policies

DHFL maintains conservative financial policies reflecting management's strong commitment to maintaining strong credit profile

Budgeting Policy		For the budgeting each year, Finance department will co-work with Business Unit to devise the BU budget based on the strategic directions and performance target of DHFL The budget is required to be sent to Management Decision Committee, Audit and Risk Management Committee and Board of Directors for review
Hedging Policy		A corporate wide risk guideline has been implemented to control the foreign exchange and interest rate mismatch risk Hedging activities will take place, when deemed appropriate, to control the mentioned risk
Credit Policy		Firm-wide risk guidelines with risk limits have been implemented to control DHFL overall credit risk, such as counterparty risk limit, single industry concentration limit, credit quality minimum requirement, etc.
Key Financial Metrics	**Financial leverage**	Board of Directors targets a maximum financial leverage of 11 to 12 times NOF, subject to relevant financial covenants requirements set by creditors
	Minimum Cash Balance	The Company strives to maintain Liquidity ratio above 10% (varying upon the development status and actual needs of the Company) In practice, DHFL adopts a more prudent approach: day-to-day actual monitoring of the buffer for maintaining safety cash levels

7 Strong Management Team …

DHFL has a highly experienced and cohesive management team, with average 20+ years experience in relevant industries

Executive Team



Mr. Kapil Wadhawan

Chairman and Managing Director

- CMD in 2009



Mr. Harshil Mehta

CEO

- Extensive experience in commercial banking and investment banking



Mr. Santosh Sharma

CFO

- 20+ years experience in the finance sector



Ms. Niti Arya

Company Secretary

- Over a decade of experience in corporate law and compliance

Management



Mr. Pravin Bansal

President Project Finance

- 30+ years experience in the industry



Mr. Pavan Gupta

Business Head – Housing Finance

- 15+ years experience in the industry



Mr. Rishi Anand

Business Head – Housing Loan

- 16+ years experience in the industry



Mr. Amit Gainda

President – SME and Mortgage Loan

- 17+ years in the Industry



Mr. Jayesh Shah

Group Head – IT

- 30+ years experience in IT Sector



Mr. Ameya Ghanekar

Head Risk

- 12+ years experience in Credit and Risk



Mr. Vikas Arora

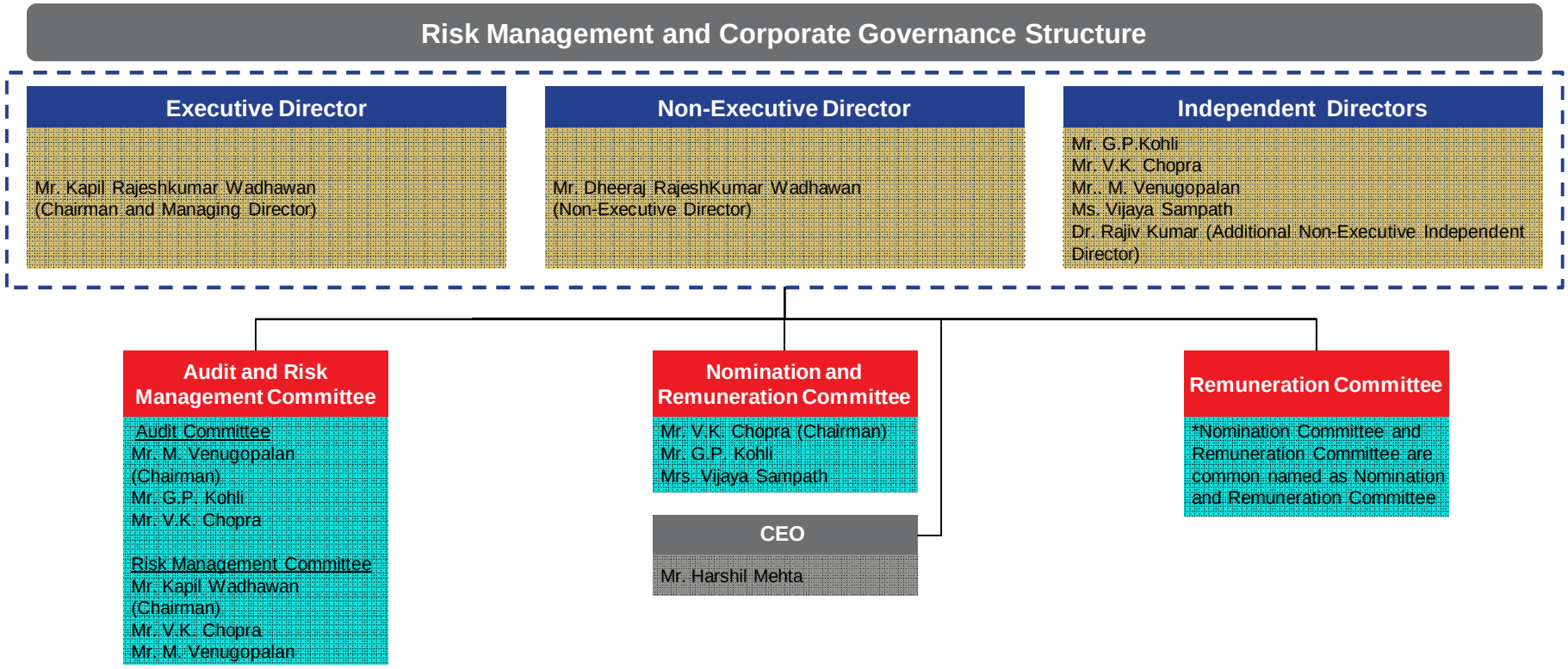
Head – Collection and Recovery

- 16+ years experience in the Industry

DHFL Changing Rules Changing Lives

7 … with Strong Corporate Governance

DHFL's strict adherence to regulatory and supervisory norms, systems-driven framework of supervisory committees and a diligent Board are a few examples of how the culture, policies and relationships reflect its strong corporate governance



7 … and vastly experienced Board of Directors



Kapil Wadhawan, CMD

- MBA from Edith Cowan University, Australia
- 19 years of experience in housing finance industry
- Joined the Company since September, 1996



G.P. Kohli, Independent Director

- Master's degree in English Literature from Punjab University
- Former MD, LIC of India – Government owned life insurance company
- Joined the Company since May 23, 2001



V.K. Chopra, Independent Director

- Member of the Institute of Chartered Accountants of India
- Joined the Company since May 12, 2008



Dr. Rajiv Kumar, Independent Director

- Senior fellow at center for Policy Research (CPR)
- Former Secretary General of FICCI
- Former Director & Chief Executive of ICRIER
- Former Chief Economist of CII (Confederation of India Industry)
- Joined the company since August 7, 2015



Dheeraj R. Wadhawan, Non-Executive Director

- Over 14 years of experience in housing development
- Joined the Company since May 12, 2008



M. Venugopalan, Independent Director

- Former Chairman and MD, Bank of India and Federal Bank
- Former ED of Union Bank
- Joined the Company since February 25, 2013



Vijaya Sampath, Independent Director

- Partner of law firm, Lakshmikumaran Sridharan
- Ombudsperson for Bharti Group
- Joined the Company since August 26, 2014

Awards & Recognition

- ✓ Best Corporate Brand Award 2015 by Economic Times (Fiscal 2016)
- ✓ Best Housing Finance Company in the BFSI Sector by ABP News and World HRD Congress (Fiscal 2016)
- ✓ India's Most Trusted Brand Award 2015 in the housing finance category (Fiscal 2016)
- ✓ Ranked 38th in the Business World's India's 50 Biggest Financial Companies (Fiscal 2016)
- ✓ Indian's Most Trusted Brand 2015 in the Housing Finance Category by International Brand Consulting (Fiscal 2016)
- ✓ 6th CMO Asia Award for excellence in Branding and Marketing (Fiscal 2016)
- ✓ The Most Promising Brand of the Year (NRI Home Loan Services) in Finance & Banking Sector (UAE) (Fiscal 2015)
- ✓ Certificate of appreciation from the NHB for the Company's commitment to and support in the Energy Efficient Homes program (Fiscal 2015)
- ✓ Asia's Most Promising Brand Award (Fiscal 2014)
- ✓ Best Employer Brand Award at IPE BFSI Awards (Fiscal 2014)
- ✓ Excellence in Innovative Marketing at MCHI (Fiscal 2013)
- ✓ The Greatest Corporate Leaders of India – Leadership Awards in Financial Services by India's Greatest (Fiscal 2013)

Section 3

Strategy

DHFL's strategy

The Company's objective is to continue to service the needs of the LMI segment while growing profitability and increasing shareholder value

- Maintain strong asset quality and earnings growth
- Leverage existing network with selective expansion
- Continue to customize and cross-sell products and services
- Optimize cost of operations
- Engage in competitive loan pricing to attract more customers
- Strengthen the IT platform

Appendix

Implications of the Union Budget of India

DHFL
Changing Rules Changing Lives

Union Budget implications

Key highlights from the 2016-17 Union Budget impacting DHFL, its business and the affordable housing segment in general

	Key Benefits
Housing Projects	Housing projects to be allowed 100% deduction for profits for flats up to 30 square meters in four metro cities and 60 square meters in other cities, approved during the period June 2016 to March 2019 and completed in three years. Minimum Alternate tax to apply to these projects
First Home Buyers	For first time home buyers, deduction for additional interest of Rs. 50,000 per annum for loans up to Rs. 35 lakh sanctioned in 2016-17, where the value of the house does not exceed Rs. 50 lakh
Dividend Distribution	Distribution made out of income of SPV to the Real Estate Investment Trusts and Infrastructure Investment Trusts will not be subjected to dividend distribution tax
Affordable Houses	Construction of affordable houses up to 60 square meters under any scheme of the Central or State Government including under public private partnership schemes shall be exempt from service tax
Excise Duty Exemption	Excise duty exemption, presently available to concrete mix manufactured at site extended to ready mix concrete manufactured at the site of construction for use in construction work at such site
Non-bank Financial Companies	Non-banking financial companies shall be eligible for deduction to the extent of 5% of its income in respect of provision for bad and doubtful debts

Appendix

Financial Overview

DHFL
Changing Rules Changing Lives

Key Financials

(US$ mm, unless otherwise mentioned)	FY13	FY14	FY15	9MFY16	YoY growth FY13	YoY growth FY14	YoY growth FY15
Income statement							
Total Income	609	742	893	799	65%	22%	20%
Net Interest Income	114	148	206	184	66%	30%	39%
Non-Interest Income	29	29	21	16	(7%)	(1%)	(27%)
Interest Expenses	466	565	666	599	73%	21%	18%
Operating Expense	44	55	67	56	21%	26%	21%
Provision for Contingencies	7	10	16	19	90%	56%	50%
Depreciation	1	2	4	3	79%	29%	134%
PBT	91	110	141	122	53%	20%	28%
PAT	67	79	93	81	47%	17%	17%
Balance sheet							
Loan sanctioned	2,588	3,340	4,253	3,707	35%	29%	27%
Loan Disbursed	1,994	2,485	2,958	2,445	47%	25%	19%
Loan portfolio Outstanding	5,060	6,059	7,618	8,805	75%	20%	26%
AUM	5,391	6,690	8,490	9,845	71%	24%	27%
Networth	483	534	692	736	59%	10%	30%
Borrowings	4,785	5,894	7,302	8,950	67%	23%	24%

Note: FY13, FY14, FY15 and 6MFY16 figures are post merger of First Blue Home Finance, while FY12 figures are DHFL's Standalone figures. Assumes a USD / INR exchange rate of 67.

Key Ratios

	FY13	FY14	FY15	9MFY16
Key ratios				
Gross NPAs/Gross loans (%)	0.71%	0.78%	0.95%	1.02%
Net NPAs/Net Loans (%)	0.46%	0.52%	0.68%	0.65%
Total provisions as a percentage of gross NPAs (%)	109.8%	104.4%	86.8%	108.8%
Tier I Ratio	11.3%	11.9%	12.5%	12.6%
Capital Adequacy Ratio	16.5%	17.2%	16.6%	16.4%
NIM	2.7%	2.7%	2.9%	2.8%
Cost to Income Ratio	24.1%	26.0%	27.3%	26.3%
Return on Assets	1.7%	1.7%	1.6%	1.5%
Return on Equity	17.2%	15.5%	15.1%	12.8%
Debt to Equity Ratio	9.4	10.4	10.1	10.9
EPS (INR/share)[(1)]	38.5	41.2	47.8	18.5
EPS ($/share)	0.57	0.61	0.71	0.28
DPS (INR/share)[(2)(3)]	38.3	41.1	47.2	18.3
DPS ($/share)	0.57	0.61	0.70	0.27
Dividend payout[(2)(3)]	13.0%	19.4%	12.5%	16.2%

1 FY15, 9MFY15 and 9MFY16 EPS are not comparable with previous periods (FY13, FY14) as the same are calculated with increased Capital due to Bonus issue of 1:1 during the current quarter

2 Includes Special 30th Anniversary Celebration Dividend @ INR 3 per share

3 Board has declared an interim dividend of INR 3.0 per share. However, the changes in the Financials and ratios on account of dividend have not been incorporated in the presentation

Note: FY13, FY14, FY15 and 9MFY16 figures are post merger of First Blue Home Finance. Assumes a USD / INR exchange rate of 67.

DHFL Changing Rules Changing Lives

Summary of Cash Flow

(USD in millions)

	Nine months ended December 31, 2015	Nine months ended December 31, 2014	Fiscal 2015	Fiscal 2014	Fiscal 2013
Net Cash Flow From / (Used In) Operating Activities	(1,391.02)	(1,931.45)	(1,859.24)	(1,325.25)	(1,119.15) *
Net Cash From / (Used In) Investing Activities	(19.29)	2.33	(47.39)	(106.70)	(22.47)
Net Cash From / (Used In) Financing Activities	1,969.67	2,149.66	1,860.85	1,502.19	1,099.96 *
Net Increase (Decrease) in Cash and Cash Equivalents	**559.36**	**(39.92)**	**(45.78)**	**70.24**	**(41.66)**

Note: Assumes a USD / INR exchange rate of 67.
* Company presented net cash flow of housing loans disbursed from financing activities in Fiscal 2013 and Fiscal 2014 and net cash flow from operating activities in Fiscal 2015 along with restated figures in Fiscal 2014. Company has restated the statement of cash flow in Fiscal 2013. The changes resulted in decreased cash from operating activities to USD(1,119.15) million and increased cash from financing activities to USD1,099.96 million.

Appendix

Key Regulations

Key NHB Regulations

Standard Assets Provisioning	
All Loans except Commercial Real Estate Residential Housing and Other Commercial Real Estate	0.4%
Commercial Real Estate Residential Housing	0.75%
Other Commercial Real Estate	1%

NPA: An asset, in respect of which, interest / principal has remained overdue for a period of 90 days or more

NPA Provisioning Norms		
Sub Standard Assets	Classified as NPA for a period up to 12 Months	15%
Doubtful Assets	Classified as NPA for a period exceeding 12 Months	
	Up to 1Y	25%
	1Y to 3Y	40%
	More than 3Y	100%
Loss Assets	Assets considered uncollectible	100%

Target LTV Ratio: Housing Loan to Individuals	
Loan Amount	**LTV Ratio**
Up to USD45,000	< = 90%
Above USD45,000 and up to USD112,000	< = 80%
Above USD112,000	< = 75 %

Capital Adequacy
Minimum required is 12%

Note: Assumes a USD / INR exchange rate of 67.

Appendix

Other Entities

Other Entities Engaged in the LMI and the Underserved Strata

DHFL Vysya Housing Finance Ltd

Engaged in the LMI Strata

- Strengthens presence in Southern and Western India
- Majority of operations in South India - Presence in 33 locations and 25 service centers[1]

Aadhar Housing Finance Ltd

Serves the most Underserved segment

- Average loan size is INR 0.65mm for home loans and INR 0.50mm for other loans
- Generates business via nine low income states (84 locations) in India[1]
- IFC has picked up a 20% equity stake in the company

Avanse Financial Services Ltd

Enabling education, Empowering youth

- Forayed into Education loans business in 2013
- Average loan size is INR 0.90mm
- IFC holds 13% stake in the Company

DHFL Pramerica Joint Ventures

- 74:26 Joint Venture with Prudential Financial Inc. for Life Insurance
- 50:50 joint venture with PGLH of Delaware, Inc. for Mutual Fund & Portfolio Management
  - Headquartered in Mumbai with a presence in 19 cities in India

Note:
1 As of 31 March 2015.

Thank You

Contact
Investor.relations@dhfl.com

DHFL
Changing Rules Changing Lives